

**Security Council**

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**Security Council Committee established pursuant to
resolution 1718 (2006)****Note verbale dated 30 December 2016 from the Permanent
Mission of Vanuatu to the United Nations addressed to the Chair
of the Committee**

The Permanent Mission of the Republic of Vanuatu to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to submit the report of the Republic of Vanuatu on the implementation of Security Council resolution 2270 (2016).

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**Annex to the note verbale dated 30 December 2016 from the
Permanent Mission of Vanuatu to the United Nations addressed to
the Chair of the Committee**

**Report of Vanuatu on the implementation of Security Council
resolution 2270 (2016)**

I. Introduction

Pursuant to United Nations Security Council resolution 2270 (2016) States are required to present a report to the Security Council Committee established pursuant to resolution 1718 (2006) on the steps they have taken or intend to take regarding its implementation.

This report sets out the policy, legislation and operational mechanisms operating in Vanuatu to implement the requirements of the resolution.

It is the consistent policy of Vanuatu to support disarmament and non-proliferation of weapons of mass destruction, especially nuclear weapons. Resolution 2270 (2016) was made known to all relevant ministries, agencies and local authorities in writing and through inter-agency meetings. The Ministry of Foreign Affairs is the Government agency responsible for the implementation of the resolution with an inter-agency focal point mechanism for smooth coordination and information sharing among different ministries, agencies and local authorities.

II. Measures taken to implement Security Council resolution 2270 (2016)

The Government of the Republic of Vanuatu is committed to faithfully implementing United Nations Security Council resolution 2270 (2016) and all other previous sanctions resolutions on the Democratic People's Republic of Korea (DPRK), namely 1718 (2006), 1874 (2009), 2087 (2013) and 2094 (2013), and to rendering full cooperation to the Security Council Committee established pursuant to resolution 1718 (2006).

The Republic of Vanuatu is a party to international treaties such as the Treaty on the Non-Proliferation of Nuclear Weapons and the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction. The Vanuatu Government now has an established concrete inter-agency mechanism to fully implement its obligation under the relevant Security Council resolutions and will continue to contribute to the international efforts to strengthen the global non-proliferation regime.

The Vanuatu Government has taken the necessary legislative and executive measures to implement the Security Council sanctions resolutions on DPRK and to submit its national implementation report following the adoption of resolution 2270 (2016).

Against DPRK's repeated launches of ballistic missiles on 7 February 2016 from the Tongchang-ri missile launch site in North Pyongan Province in violation of the relevant Security Council resolutions including resolution 2270 (2016), the

Vanuatu Government sent a statement to the Chair of the 1718 Committee reporting the violations and strongly condemning North Korea's ongoing defiance of numerous United Nations resolutions. The Vanuatu Government joins the international community to call on North Korea to halt all its nuclear activities which pose direct threats to international peace and security and to return to compliance with its international obligations as articulated in various United Nations Security Council resolutions.

1. Inspection and interdiction (paragraphs 18-23 of resolution 2270 (2016))

Prohibition of leasing or chartering flagged vessels or aircraft or providing crew services to DPRK (paragraph 19)

Vanuatu currently authorizes only one bunker vessel that services fishing vessels operating in the Western and Central Pacific Fisheries Commission (WCPFC) area and listed on the Commission's record of fishing vessels. The Democratic People's Republic of Korea is not a member or a cooperating non-member of the Commission. The Director of the Vanuatu Department of Fisheries intends to make it a condition of the bunker vessel and all authorized Vanuatu flag vessels not to service or receive service from the Democratic People's Republic of Korea. The Vanuatu Fisheries Act No. 10 of 2014 provides for the chartering of Vanuatu fishing vessels beyond Vanuatu waters. Vanuatu could use this provision to disallow charters of Vanuatu fishing vessels to the Democratic People's Republic of Korea. Vanuatu is also in the process of finalizing its national crewing policy. Crewing agents established under the laws of Vanuatu will be conditioned not to supply crew to a Democratic People's Republic of Korea owned or flagged fishing vessel.

The Director of Fisheries has the power to refuse the registration of a fishing vessel under the Fisheries Act, and to refuse or approve a Vanuatu citizen from chartering a vessel from another flag State.

It is already a policy for the Director not to allow:

- (a) Registering a fishing vessel owned by the Democratic People's Republic of Korea; and
- (b) A citizen of Vanuatu or a corporate body established under Vanuatu law from chartering a DPRK fishing vessel.

2. Export control (paragraphs 29-31)

Vanuatu does not have any direct imports or exports with the Democratic People's Republic of Korea. In case of any such occurrence, the Vanuatu Customs Department does accommodate a specific provision under the Customs Act to prohibit imports and exports, which may be limited to the importation and exportation of goods from a specified place or by or from a specified person or class of persons.

3. Financial and economic sanctions (paragraphs 32-38)

A. *Application of asset freeze to all the funds, other financial assets and economic resources to or from DPRK that are owned or controlled by entities of the Government of DPRK (paragraph 32)*

The Vanuatu Government's asset freezing powers are based on the Anti-Money Laundering and Counter-Terrorism Financing Act.

Section 2 of the Act gives businesses and professions that provide financial services, transfers of funds or value, cash deliveries or selling of gold the implementation requirement for reporting.

Businesses and professions that are "reporting entities" under section 2 are issued regularly with updated Financial Action Task Force (FATF) sanctions lists by the Vanuatu Financial Intelligence Unit. The responses from the businesses and professions are required to submit any adverse match against the FATF list.

Section 12 of the said Act requires reporting entities to conduct enhanced identification, verification and monitoring of customers from and transactions originating from or going into DPRK. The latter is a high risk jurisdiction under the FATF sanctions list.

Sections 20-24 of the Act require reporting entities to report any suspicious transaction and not to proceed further unless directed by the Vanuatu Financial Intelligence Unit.

In particular, section 22 prohibits any transaction originating from or going into DPRK.

B. *Prohibition of opening new branches and offices of DPRK banks in Vanuatu (paragraph 33)*

All banks opening or operating in Vanuatu must be licensed by the Reserve Bank of Vanuatu and registered with the Vanuatu Financial Intelligence Unit for anti-money-laundering and counter-terrorism financing purposes. Given that DPRK is on the FATF list, the Unit will not issue any registration to DPRK banks, branches, subsidiaries or representation offices in Vanuatu.

Company and trust service providers are captured under section 2 of the Anti-Money Laundering and Counter-Terrorism Financing Act and are "reporting entities". These providers are obliged under section 12 to conduct customer due diligence on their clients and to report any suspicions under sections 20-24.

Any public and private financial support to DPRK would require the use of a bank account, bank services or money remittance/transfer services. Banks and money remitters are obliged under the Act not to transact these transactions into DPRK.

4. Prohibition of entry or transit of designated individuals (paragraph 22)

The Democratic People's Republic of Korea is not on the exempt list of Immigration Visa Regulation Order No. 180 of 2011. Thus, designated individuals or entities are required to have a visa upon entry into Vanuatu.

The Vanuatu Department of Immigration regulation provides the platform to contain the measures as requested in the Security Council resolution. To date, the Vanuatu Department of Immigration has not yet received any applications of any North Korean individual.